(b) to (d) Do not arise.

Functioning of Tobacco Board

802. SHRI R. SAMBASIVA RAO: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the Tobacco Board was set up more than nine years ago;

(b) whether it is also a fact that the Board has since not made any significant contribution in increasing the per hectare yield and in improving the quality of the tobacco produced;

(c) whether it is also a fact that as a result, on the one hand the return to the cultivators is unremunerative and on the other hand the country is not able to compete in the world market;

(d) if so, what steps Government are taking to revamp the Tobacco Board; and

(e) what steps Government are taking to increase the amount for developmental activities at the grower's level?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) The Tobacco Board was set-up in the year 1976.

(b) Tobacco Board is charged mainly with the responsibility of production, regulation, promotion of grading at farm level and export promotion etc. There is also a Dte. of Tobacco Development, Madras under the Ministry of Agriculture. Research in respect of tobacco crop is with the Indian Council of Agricultural Research (ICAR). State Governments are also taking interest in the work. The Tobacco Board is also implementing a scheme "Improvement of yield and quality of VFC tobacco in Andhra Pradesh and Karnataka" from 1986-87 with an outlay of about Rs. 10 lakhs per annum.

Fumigation of seed beds for revising nematode free seedling in order to get better quality and higher yields; raising nursery in order to supply pure and healthy seedlings to the farmers for higher yields; and production of pure seed for supply to farmers to maintain generic characteristic of the plants are the other schemes taken up by the Tobacco Board. These schemes have been implemented with the Cooperation of Central Tobacco Research Institute (under ICAR). Dte of Tobacco Development and M|s ITC Ltd.—ILTD. An inter agency committee has been constituted to work out details and oversee the implementation of these schemes.

(c) and (d) The auction system introduced for sale of VFC tobacco in Karnataka in 1984 and Andhra Pradesh in 1985 ensures remunerative prices to the tobacco growers. The tobacco growers have realised better prices during the auctions in previous years except in 1987 auctions when the growers could not get remunerative prices due to indifferent quality of tobacco and reduced export orders resulting in supply demand imbalance. Minimum Support Prices are fixed by the Government and whenever prices realised in the auctions fall below the Minimum Support Prices, he Tobacco Board purchases such tobacco from the growers at MSP.

(e) The Directorate of Tobacco Development, Madras supplies seeds and seedlings to the farmers for increasing production of tobacco crops and training to the farmers in the improved methods of cultivation of tobacco. The details of funds provided during 1986-87 and 1987-88 for

increasing tobacco production and organising training of farmers are:—

Scheme	1986-87 (Rupees)			1987-88 (Rupees)		
	Expdr.	Receipts	Net Expdr.	Expdr.	Receipts	Net Expdr.
Scheme for Production and distribution of pure seed and seedlings of tobacco in A.P.	425000	500000	..	456000	400000	56000
Tobacco Seed Multiplication Centre, Anand.	853000	500000	253000	829000	600000	229000
Scheme for imparting trainnng in the improved methods of tobacco cultivation, curing marketing of bidi tobacco run by Gujarat Agri, Univ., Anand.	69000	..	69000	54000	..	54000
Scheme for imparting training in the improved method of tobacco cultivation. curing, marketng etc. at CTRI Rajamundry.	72000	..	72000	73000	..	73000
	1419000	1000000	394000	1412000	1000000	412000

ICAR is supporting research on tobacco through (1) Central Tobacco Research Institute Rajahmundry with its Regional stations located in different agro-climatic regions of the country and the (2) All India Coordinated Research Project on Tobacco with its coordinating unit at Anand and research centres located in 3 different universities, in addition to CTRI Regional Stations. Through sustained research, improved varieties and crop production technologies suited to different categories of tobacco and different agro-climatic regions have been developed. The FCV tobacco area in Andhra Pradesh and Karnataka has been divided into microzones and package of practices have been standardised for the microzones especially to improve the yield and quality of export oriented crop.

Banking transactions by the States with the Reserve Bank of India

803. SHRI R. SAMBASIVA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that all the States excluding the States of Jammu and Kashmir and Sikkim, bank with the Reserve Bank of India for the purpose of their ways and means advances and overdrafts;

(b) if so, what are the reasons for the exclusion of these two States from the requirement of banking with the Reserve Bank of India; and

(c) in what manner the check on the utilisation of their ways and